
Modified Rules and Requirements: Satisfactory Academic Progress Only



The Competency-Based Education—Satisfactory Academic Progress Only (CBE SAP Only) set of waivers provides modifications to Federal requirements for how institutions provide Federal student aid to students enrolled in self-paced CBE programs. This Section places those changes in context and provides detailed instructions for how institutions must process Title IV aid under the CBE SAP Only set of waivers.

OVERVIEW OF WAIVERS AND MODIFIED REQUIREMENTS

The CBE SAP Only set of waivers will provide a limited waiver of certain statutory and regulatory requirements related to the timeframe when an institution must determine whether a student is making satisfactory academic progress and to the method by which an institution must calculate the pace of a student's academic progression.

This Section of the Guide will provide detailed information on the waivers and modifications to Title IV rules and regulations included in the CBE SAP Only set of waivers.

APPLICATION AND VERIFICATION

There are no changes to the rules for application and verification under the CBE SAP Only set of waivers. Institutions should follow the requirements as described in the FSA Handbook, Application and Verification Guide.

STUDENT ELIGIBILITY

Satisfactory Academic Progress

Exemption: Satisfactory Academic Progress

Volume 1, Chapter 1 of the FSA Handbook describes certain basic requirements for an institution's Satisfactory Academic Progress (SAP) policy. The Handbook notes that an institution's SAP policy must include both quantitative (time-based) and qualitative (grade-based) standards, and both standards must be reviewed at each evaluation point.

Regarding the qualitative component of a SAP evaluation, [Dear Colleague Letter GEN 14-23](#) clarifies the requirements for a SAP policy in a CBE program by noting that if an institution documents that the degree of mastery necessary to complete a competency in a CBE program equals or exceeds the equivalent of a "C" grade in a traditional program, then the institution may consider a student to have met the SAP qualitative measure as long as that student has an academic standing consistent with the institution's requirements for graduation from the program.

The CBE SAP Only set of waivers does not change these basic SAP requirements as set forth in the FSA Handbook and DCL GEN 14-23.

The CBE SAP Only set of waivers makes significant changes to the requirements for the quantitative (time-based) component of an institution's SAP evaluations. Under the CBE SAP Only set of waivers, the timeframe for performing a SAP evaluation is determined using the weeks of instructional time in the program's academic year, while the criteria for determining a student's pace is the number of credits, clock hours, or the equivalent that a student has completed over the timeframe for the evaluation.

The CBE SAP Only set of waivers waives the following text in the handbook:

The Handbook states that an institution must “calculate the pace at which a student is progressing by dividing the total number of hours the student has successfully completed by the total number he has attempted.”

Under the CBE SAP only set of waivers, an institution must evaluate a student's SAP upon the student's completion of each of the program's academic years, as measured in weeks of instructional time (i.e., at least 30 weeks for a program with credit hour equivalencies and at least 26 weeks for a program with clock hour equivalencies). An institution that evaluates SAP only upon completion of each of the program's academic years cannot provide a warning period; a student who does not meet SAP at such an institution loses Title IV eligibility (absent a successful appeal if the institution's SAP policy provides for appeals). However, an institution may choose to evaluate a student's SAP at the end of each payment period rather than only at the end of each of the program's academic years. Under the CBE SAP Only set of waivers, if an institution evaluates a student's SAP at the end of each indirect cost payment period, the institution may utilize a warning period if the student fails a single evaluation.

In its evaluation of a student's SAP, the institution will determine whether the student has completed competencies associated with sufficient credit hours, clock hours, or the equivalent to complete the program within the maximum timeframe, that, for an undergraduate program, is no more than 150 percent of the program's published length, as provided in the definition of “maximum timeframe” in the regulations at [34 CFR 668.34\(b\)](#).

In other words, the institution will compare the credit hours, clock hours or equivalencies correlated with the competencies completed with the number of credit hours, clock hour or equivalencies the institution has established for purposes of ensuring, at that time, that the student is on pace to complete within the maximum timeframe.

An institution is also permitted to use a graduated completion percentage for each year of a program. For example, your policy can permit students to complete a lower percentage of coursework in the first academic year but require them to complete an increasing percentage in subsequent years so that they finish their program within 150% of normal time.

Under the CBE SAP Only set of waivers, a program's maximum timeframe is expressed in calendar time. An institution may offer different versions of the same program (for example, a full-time version and a part-time version) with different maximum timeframes.

Programs lasting one academic year or less

Under the CBE SAP Only set of waivers, if an institution offers a CBE program lasting one academic year or less, the institution's SAP policy for that program must require an academic progress evaluation at the end of each payment period.

All other requirements described in Volume 1 of the FSA Handbook remain in effect for institutions participating in the CBE SAP Only set of waivers.

SCHOOL ELIGIBILITY AND OPERATIONS

Institutions participating in the CBE SAP Only set of waivers must follow a modified process for applying to the Department to include educational programs. That process is described in greater detail in Section 2 of this Guide.

Program Participation Agreement

Volume 2, Chapter 1 of the FSA Handbook describes the Program Participation Agreement (PPA) and the process for executing that agreement. Section 2 of this Guide (page 1) describes the additional requirement under the experiment that the institution execute an amendment to its PPA, which must be signed by the school's president, chief executive officer, or chancellor, and an authorized representative of the Secretary of Education, before the institution may participate in the CBE SAP Only set of waivers.

Direct Assessment Programs

Volume 2, Chapter 2 also provides a definition for a “direct assessment program” and describes the requirements for such programs. Participation in the CBE SAP Only set of waivers does NOT change any of the requirements for offering a direct assessment program.

An institution may participate in both the CBE Experiment (including the SAP Only set of waivers) and also the Limited Direct Assessment (LDA) Experiment – an institution's participation in the LDA experiment would alter the requirements for a direct assessment program. Please see the [July 31, 2014, Federal Register Notice](#) for additional information.

Regular and Substantive Interaction

Volume 2, Chapter 2 of the FSA Handbook describes the requirements for a distance education program, including the requirement that a distance education program support regular and substantive interaction between the students and instructors. Only programs that require regular and substantive interaction may participate in the CBE Experiment. We do not consider interaction that is wholly optional or initiated primarily by the student to be regular and substantive interaction between students and instructors. Interaction that occurs only upon the request of the student (either electronically or otherwise) would not be considered regular and substantive interaction.

However, as described in [Dear Colleague Letter GEN 14-23](#), institutions have flexibility in how they define “regular and substantive interaction.” Some institutions design their CBE programs using a faculty model where no single faculty member is responsible for all aspects of a given course or competency. In these models, different instructors might perform different roles: for example, some working with students to develop and implement an academic action plan, others evaluating assessments and providing substantive feedback (merely grading a test or paper would not be substantive interaction), and still others responding to content questions.

Such a model may be used to ensure regular and substantive interaction between students and instructors. However, in applying such a model, an institution must ensure that the interaction is provided by institutional staff who meet accrediting agency standards for providing instruction in the subject matter being discussed, that the interaction is regular, and that the amount of faculty resources dedicated to the program is sufficient in the judgment of the accrediting agency. Interactions between a student and personnel who do not meet accrediting agency standards for providing instruction in the subject area would not be considered substantive interaction with an instructor.

For institutions providing CBE programs under the CBE Experiment, there are two important considerations regarding the “regular and substantive interaction” requirements:

Students must have access to qualified faculty; and programs must be designed to ensure regular and substantive interaction between students and those faculty members.

Access to qualified faculty—Qualified means that the faculty possesses the appropriate academic credentials and experience in the applicable knowledge domain, as determined by the accrediting agency. This faculty access must be available to students who are struggling to master learning materials or objectives or for any reason when the student wants to interact with a faculty member (e.g. seeking explanation of feedback on an assessment or assignment, career advice, desire for more information on a topic). Learning coaches, online tutoring, and other support can be offered and used and may even account for the majority of students’ support (and success), but programs must, as discussed above, include access to an academically qualified faculty member at least when students need or want it.

If a faculty member is not the primary monitor of student engagement with learning (as in traditional instructional models), the institution must have some combination of staffing and systems to monitor student engagement, level of performance, and to provide proactive support. It is incumbent on the institution to demonstrate that students are not left to educate themselves, a chief characteristic of correspondence programs.

Program design—A program must be designed with the expectation that regular and substantive interaction between students and faculty is an integral part of an educational program.

The term **regular** means periodic and while it can be broadly interpreted, it should be understood as predictable regularity and built into program design. Recognizing that most (though not all) CBE programs are self-paced at least to some extent, predicted regularity can be event-driven and include, but is not limited to, completion of certain key competencies, a percentage of competencies, or the submission of assessments. While individual students may elect not to initiate contact with qualified faculty, program design must include periodic contact by qualified faculty with the students. Those contacts could be made through the use of email or other social media, but must create the opportunity for substantive interaction. Note that while an automated system for initiating contact with students could be one aspect of program design, such a system in and of itself could not meet the requirement for **regular and substantive interaction**.

The term **substantive** can also be broadly interpreted, but refers specifically to interaction, or the opportunity for interaction, with a student that is relevant to the academic subject matter in which the student is engaged. Substantive interaction could include direct instruction, substantive feedback to assessments, or, as described above, contacts with students that create the opportunity for relevant discussion of academic subject matter.

Assessment is an important part of the educational equation in all instances, but takes on particular importance in outcomes-focused programs like CBE. The statutory language pertaining to **regular and substantive interaction** does not require that faculty administer and/or grade all assignments, though faculty feedback on student assignments may be a very effective form of substantive interaction. Some assessments might be exam based and machine graded, but those forms of assessment would not be considered substantive interaction. Traditional higher education has long used teaching assistants, such as graduate students within the discipline, to assess and grade student work, and this is acceptable in CBE programs.

There is an additional requirement under the CBE Experiment that programs **MUST** be designed to require regular and substantive interaction between students and instructors; correspondence programs may not be included in the CBE Experiment.

Satisfactory Academic Progress

Exemption: Satisfactory Academic Progress

Volume 2, Chapter 3 of the FSA Handbook describes the requirements for an institution's Satisfactory Academic Progress (SAP) policy. Certain aspects of these requirements are changed under the CBE SAP Only set of waivers, as described above under Student Eligibility.

Audits and Program Reviews

Volume 2, Chapter 4 of the FSA Handbook describes the audit requirements for institutions participating in the Title IV, HEA programs, and Volume 2, Chapter 8 describes program reviews that the Department conducts at schools. Participation in the CBE SAP Only set of waivers does not change an institution's responsibility to have an independent auditor conduct an annual audit of the school's compliance with the laws and regulations that are applicable to the FSA programs, nor does it waive an institution's responsibilities to comply with the Department's requirements for a program review.

However, because certain laws and regulations are waived under the CBE SAP Only set of waivers, institutions should refer auditors and the Department's program review staff to this Guide in order to determine whether an institution has complied with the appropriate rules for the CBE programs it includes under the CBE SAP Only set of waivers.

Updating Application Information

Volume 2, Chapter 5 of the FSA Handbook describes the regular recertification of schools, as well as changes that can affect a school's participation and how and when to report these changes to the Department on the E-App (<http://eligcert.ed.gov>). This chapter also provides information on the process for adding an educational program to the institution's Eligibility and Certification Approval Report (ECAR), and describes the cases in which the school does not have to obtain the Secretary's prior approval to treat as eligible a program that is offered using credit or clock hours.

The Department must approve all other educational programs before Title IV aid may be awarded to students in those programs. If a program is offered using direct assessment, an institution must always receive approval from the Department (after receiving approvals required from the accrediting agency) before offering Title IV aid to students in that program.

The CBE SAP Only set of waivers does not change these basic requirements, but DOES require an institution to report to the Department all programs that it wishes to include under the CBE SAP Only set of waivers, and designate those programs by adding "-CBE" to the end of the program name in the E-App. Additionally, if a program is offered using credit or clock hours, that program must be approved, recognized, or designated as a CBE program by the institution's accrediting agency before the program may be included in the CBE SAP Only set of waivers. Additional information on this process is provided in Sections 2–4 of this Guide.

Consumer Information and School Reports

Volume 2, Chapter 6 of the FSA Handbook describes information that a school must disclose to the public and report to the Department. Participation in the CBE SAP Only set of waivers does not alter these requirements. Under those requirements, an institution must disclose to the public that it participates in the CBE SAP Only set of waivers experiment, which programs are included under the experiment, and how its administration of the Title IV aid programs—including satisfactory academic progress—is changed under the experiment.

All other requirements described in Volume 2 of the FSA Handbook remain in effect for institutions participating in the CBE SAP Only set of waivers.

CALCULATING AWARDS & PACKAGING

Volume 3, Chapter 1 of the FSA Handbook describes requirements for academic calendars, payment periods, and disbursements. There are no waivers in the CBE SAP Only version of the experiment that alter these requirements; however, several requirements have particular application to CBE programs, and are therefore described below.

Academic Year Requirements

For FSA purposes, the academic year is defined in weeks of instructional time and, for undergraduate programs, in credit or clock-hours. A program's academic year does not have to coincide with the program's academic calendar. An institution must use the same academic year definition for all FSA awards for students enrolled in a particular program, and for all other FSA program purposes with respect to that program. However, a school may treat two versions of the same academic program (day and night, for example) as separate programs and define different academic years for each version.

Weeks of instructional time in an academic year

An academic year for a credit-hour or direct assessment program must be defined as at least 30 weeks of instructional time, and for a clock-hour program, at least 26 weeks of instructional time.

The number of weeks of instructional time is based on the period that begins on the first day of classes in the academic year and ends on the last day of classes or examinations. For all FSA programs, a week of instructional time is any period of 7 consecutive days in which at least 1 day of regularly scheduled instruction, examination, or (after the last day of classes) at least 1 scheduled day of study for examinations occurs. Instructional time does not include periods of orientation, counseling, homework, vacation, or other activity not related to class preparation or examination.

Institutions must ensure that the instructional materials and faculty support necessary for academic engagement are available to students every week that the institution counts toward its definition of a payment period or an academic year. Note that, to the extent that instructional services supporting educational activity are not offered at any time during a seven-day period, that week would not count toward the institution's definition of a payment period or an academic year, nor would it count toward the minimum program length requirements in [34 CFR 668.8](#).

For all CBE programs, including direct assessment programs, educational activity includes (but is not limited to):

- Participating in regularly scheduled learning sessions (where there is an opportunity for direct interaction between the student and the faculty member);
- Submitting an academic assignment;
- Taking an exam, an interactive tutorial, or computer-assisted instruction;
- Attending a study group that is assigned by the institution;

- Participating in an online discussion about academic matters;
- Consultations with a faculty mentor to discuss academic course content; and
- Participation in faculty-guided independent study (as defined in [34 CFR 668.10\(a\)\(3\)\(iii\)](#)).

For direct assessment programs only, educational activity also includes development of an academic action plan developed in consultation with a qualified faculty member that addresses competencies identified by the institution.

The requirements above relating to a program's academic year apply to all CBE programs, not just those included in an institution's participation in CBE SAP Only. CBE SAP Only does not change any of those requirements. The remaining requirements in Volume 3 do not change under CBE SAP Only.

PROCESSING AID AND MANAGING FSA FUNDS

Volume 4, Chapter 1 of the FSA Handbook provides information on the rules and procedures for requesting and managing funds, including requesting funds from the Department's G5 system. Those rules and procedures are not affected by an institution's participation in the CBE SAP Only set of waivers.

WITHDRAWALS AND THE RETURN OF TITLE IV FUNDS

Volume 5 of the FSA Handbook describes the steps an institution must take when a student withdraws, the requirements for calculating the amount of Title IV aid that a student earns when he/she withdraws during a payment period, and the requirements for returning unearned Title IV aid. These requirements do not change under the CBE SAP Only set of waivers.

THE CAMPUS-BASED PROGRAMS

There are no changes to the rules for administration of the campus-based programs under the CBE SAP Only set of waivers. Institutions should follow the requirements as described in Volume 6 of the FSA Handbook.

